

First Regular Session of the 121st General Assembly (2019)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2018 Regular and Special Session of the General Assembly.

HOUSE ENROLLED ACT No. 1482

AN ACT to amend the Indiana Code concerning motor vehicles.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 9-13-2-192, AS AMENDED BY P.L.151-2015, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 192. "Unit", for purposes of IC 9-21-18, ~~IC 9-32-9-3~~, IC 9-32-11-2, IC 9-32-11-6, **IC 9-32-11-11**, and IC 9-32-11-11.5, **and IC 9-32-11-18**, has the meaning set forth in IC 9-21-18-3.

SECTION 2. IC 9-31-3-5, AS AMENDED BY P.L.174-2016, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 5. A motorboat that has never been registered in Indiana and that is purchased from a dealer licensed by the secretary of state under IC 9-32-8 may be operated on the waters of Indiana for a period of forty-five (45) days from the date of purchase if the operator has in the operator's possession the following:

- (1) A bill of sale from the dealer giving the purchaser's name and address, the date of purchase, and the make and type of boat or the hull identification number.
- (2) A temporary license plate displayed on the forward portion of the boat, as provided in section 6 of this chapter (**before its repeal**) or **IC 9-32-8-7**.

SECTION 3. IC 9-31-3-6 IS REPEALED [EFFECTIVE JULY 1, 2019]. Sec. 6: (a) ~~The secretary of state may issue temporary license plates to a licensed dealer upon request.~~

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(b) A temporary license plate described in subsection (a) must display the following information:

- (1) The dealer's license number;
- (2) The date of expiration, plainly stamped or stenciled on the temporary license plate.

(c) A temporary license plate may not be used or displayed unless the plate is furnished by the secretary of state.

(d) A dealer that authorizes the use of a temporary license plate under this section does not assume responsibility or incur liability for injury to a person or property during the period the temporary license plate is in effect.

SECTION 4. IC 9-31-3-19 IS REPEALED [EFFECTIVE JULY 1, 2019]. Sec. 19: (a) A dealer licensed by the secretary of state under IC 9-32-8-2 may, upon application to the secretary of state, obtain a dealer plate and registration card for use in the testing or demonstrating of motorboats. Two (2) dealer plates must be displayed within a motorboat that is being tested or demonstrated while the motorboat is being tested or demonstrated.

(b) A transfer dealer or automobile auction licensed under IC 9-32 may request dealer plates under subsection (a):

(c) The fee to obtain a dealer plate and registration card under subsection (a) is ten dollars (\$10). The secretary of state may retain the fee.

SECTION 5. IC 9-31-3-31 IS REPEALED [EFFECTIVE JULY 1, 2019]. Sec. 31: (a) A person that knowingly or intentionally operates a watercraft displaying:

- (1) a temporary license plate issued under section 6 of this chapter that is altered or reproduced; or
- (2) a license plate that purports to be a temporary license plate issued under section 6 of this chapter;

commits a Class C misdemeanor:

(b) A person that, with the intent to defraud, obtains an altered temporary license plate described in subsection (a) commits a Class C misdemeanor:

SECTION 6. IC 9-32-2-6, AS AMENDED BY P.L.179-2017, SECTION 31, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) "Broker" means a person that, for a fee, a commission, or other valuable consideration, arranges or offers to arrange a transaction involving the sale, for purposes other than resale, of a new or used motor vehicle and who is not, at any point in the transaction, the bona fide owner of the motor vehicle involved in the transaction.



(b) The term does not include:

- (1) a dealer licensed under this article or an employee of a dealer licensed under this article acting in an employment arrangement with the dealer, if the motor vehicle being sold is a motor vehicle in the dealer's inventory or is subject to a consignment agreement between the dealer and the owner of the motor vehicle;
- (2) a distributor licensed under this article, or an employee of a distributor licensed under this article and acting in an employment arrangement with the distributor, if the sale being arranged is a sale to a dealer licensed under this article; ~~or~~
- (3) a manufacturer licensed under this article, or an employee of a manufacturer licensed under this article and acting in an employment arrangement with the manufacturer, if the sale being arranged is a sale to a dealer licensed under this article; ~~or~~
- (4) a lead generation or other marketing service, if:**
 - (A) the fee for the service is not based on whether the lead provided by the service generated a sale for the dealer; and**
 - (B) the service does not have an active role in the negotiation of a sale, including negotiating the price of the motor vehicle.**

SECTION 7. IC 9-32-2-9.9, AS ADDED BY P.L.179-2017, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 9.9. "Dealer owner" means the following:

- (1) For a licensed or applicant dealer, other than a manufacturer, ~~that the following:~~
 - ~~(A) Is~~ **If** a corporation, each officer, director, and shareholder having a ten percent (10%) or greater ownership interest in the corporation.
 - ~~(2) (B) If a corporation and it has~~ no officer, director, or shareholder ~~has~~ **having** a ten percent (10%) or greater ownership interest in the corporation, one (1) or more officers, directors, or shareholders designated in writing by the board of directors.
 - ~~(3) (C) If the licensed or applicant dealer, other than a manufacturer,~~ is a sole proprietorship, the proprietor.
 - ~~(4) (D) If the licensed or applicant dealer, other than a manufacturer,~~ is a partnership, each partner.
 - ~~(5) (E) If the licensed or applicant dealer, other than a manufacturer,~~ is a limited liability company, each member of the company.
- ~~(6) (2)~~ For a licensed or applicant manufacturer, one (1) or more officers, directors, or shareholders designated in writing by the



manufacturer.

(3) For a business entity, the following:

(A) If a corporation, one (1) or more officers, directors, or shareholders designated in writing by the board of directors.

(B) If a limited liability company, one (1) or more members of the company designated in writing by all members.

(C) If a partnership, each partner.

(D) If a sole proprietorship, the proprietor.

SECTION 8. IC 9-32-6-6.5, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2019 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]:
Sec. 6.5. (a) This section applies to dealer license plates issued after December 31, 2014.

(b) (a) Except as provided in subsection (c); subsections (b) and (c), dealer license plates and dealer designee license plates issued to licensed dealers under this article are valid from the issue date through the expiration date as follows:

- (1) Dealer license plates of a person whose business name begins with the letters A through B expire February 1 of each year.
- (2) Dealer license plates of a person whose business name begins with the letters C through D expire March 1 of each year.
- (3) Dealer license plates of a person whose business name begins with the letters E through F expire April 1 of each year.
- (4) Dealer license plates of a person whose business name begins with the letters G through H expire May 1 of each year.
- (5) Dealer license plates of a person whose business name begins with the letters I through J expire June 1 of each year.
- (6) Dealer license plates of a person whose business name begins with the letters K through L expire July 1 of each year.
- (7) Dealer license plates of a person whose business name begins with the letters M through N expire August 1 of each year.
- (8) Dealer license plates of a person whose business name begins with the letters O through P expire September 1 of each year.
- (9) Dealer license plates of a person whose business name begins with the letters Q through R expire October 1 of each year.
- (10) Dealer license plates of a person whose business name begins with the letters S through T expire November 1 of each year.
- (11) Dealer license plates of a person whose business name begins with the letters U through V expire December 1 of each year.



- (12) Dealer license plates of a person whose business name begins with the letters W through Z expire January 1 of each year.
- ~~(e)~~ **(b)** Dealer license plates issued to a person whose business name begins with a nonalpha character expire November 1 of each year.
- ~~(d)~~ **(c)** A dealer designee license plate ~~expires as follows:~~
- (1) For a dealer designee license plate issued before July 1, 2017, on the earlier of:
- (A) the date designated by the dealer on the application related to the license plate; or
- (B) the date on which the dealer license issued to the same person expires.
- (2) For a dealer designee license plate issued after June 30, 2017, on the same date each year as the date on which a dealer license issued to the same person expires: **is valid from the issue date through the expiration date as provided in subsection (a) or (b).**
- ~~(e)~~ This subsection expires December 31, 2017. For a dealer license plate issued in 2015, the dealer services division shall impose a fee for the dealer license plate under IC 9-29-17 (before its repeal) in the amount that bears the same proportion to the annual fee for the dealer license plate as the number of months the dealer license plate is valid bears to twelve ~~(12)~~.
- ~~(f)~~ ~~(e)~~ **(d)** The fee to renew the license plates issued under IC 9-32-6-1 **section 1 of this chapter** is as follows:
- (1) For motorcycle dealer license plates, fifteen dollars (\$15).
- (2) For dealer license plates not described in subdivision (1), forty dollars (\$40).
- ~~(g)~~ ~~(f)~~ **(e)** Fees collected under subsection ~~(f)~~ ~~(e)~~ **(d)** shall be distributed as follows:
- (1) Thirty percent (30%) to the dealer compliance account established by IC 9-32-7-1.
- (2) Seventy percent (70%) to the motor vehicle highway account under IC 8-14-1.
- ~~(h)~~ ~~(g)~~ **(f)** There is an additional service charge of five dollars (\$5) for the renewal of each set of license plates issued under IC 9-32-6-1. **section 1 of this chapter.** The service charge shall be deposited in the crossroads 2000 fund.
- ~~(i)~~ ~~(h)~~ **(g)** The fee to renew each additional license plate issued under IC 9-32-6-5 **section 5 of this chapter** is as follows:
- (1) For an additional motorcycle dealer license plate, seven dollars and fifty cents (\$7.50).
- (2) For an additional dealer license plate not described in



subdivision (1), fifteen dollars (\$15).

~~(j)~~ ~~(h)~~ **(h)** Fees collected under subsection ~~(f)~~ ~~(h)~~ **(g)** shall be distributed as follows:

- (1) Thirty percent (30%) to the dealer compliance account established by IC 9-32-7-1.
- (2) Seventy percent (70%) to the motor vehicle highway account under IC 8-14-1.

~~(k)~~ ~~(j)~~ **(i)** There is an additional service charge for the renewal of each additional license plate issued under ~~IC 9-32-6-5~~; **section 5 of this chapter**, as follows:

- (1) For an additional motorcycle dealer license plate, two dollars and fifty cents (\$2.50).
- (2) For an additional dealer license plate not described in subdivision (1), five dollars (\$5).

~~(h)~~ ~~(k)~~ **(j)** The service charge under subsection ~~(k)~~ ~~(j)~~ **(i)** shall be deposited in the crossroads 2000 fund.

~~(m)~~ ~~(h)~~ **(k)** The fee to renew a license plate issued under ~~IC 9-32-6-2(b)~~ **section 2(b) of this chapter** is forty dollars (\$40). The fee shall be deposited in the dealer compliance account established by IC 9-32-7-1.

~~(n)~~ ~~(m)~~ **(l)** The fees collected under subsection ~~(o)~~ ~~(n)~~ **(m)** shall be distributed as follows:

- (1) Forty percent (40%) to the crossroads 2000 fund.
- (2) Forty-nine percent (49%) to the dealer compliance account established by IC 9-32-7-1.
- (3) Eleven percent (11%) to the motor vehicle highway account under IC 8-14-1.

~~(o)~~ ~~(n)~~ **(m)** The fee to renew a dealer designee license plate issued under IC 9-32-6.5-1 is twenty-one dollars and thirty-five cents (\$21.35).

SECTION 9. IC 9-32-6-16, AS AMENDED BY P.L.179-2017, SECTION 44, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 16. (a) Except as provided in subsection (b), if a dealer license plate or registration card issued under this chapter, ~~or IC 9-31-3-19 (before its repeal), or IC 9-32-8-8~~ is lost, stolen, or destroyed, the dealer may apply for a replacement dealer license plate or registration card in the form and manner prescribed by the secretary.

(b) If a dealer license plate ~~or registration card~~ is lost or stolen, the secretary may not issue a replacement dealer license plate ~~or registration card~~ until the dealer to whom the dealer license plate ~~or registration card~~ was issued:

- (1) has notified:

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- (A) the Indiana law enforcement agency that has jurisdiction where the loss or theft occurred; or
 - (B) the law enforcement agency that has jurisdiction over the address of the dealer's established place of business; and
- (2) presents to the secretary on a form prescribed by the secretary a report completed by the law enforcement agency that was notified under subdivision (1).

SECTION 10. IC 9-32-6.5-12, AS ADDED BY P.L.179-2017, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 12. (a) Except as provided in subsection (b), if a dealer designee license plate or registration card issued under this chapter is lost, stolen, or destroyed, the dealer may apply for a replacement dealer designee license plate or registration card in the form and manner prescribed by the secretary.

(b) If a dealer designee license plate ~~or registration card~~ is lost or stolen, the dealer to whom the dealer designee license plate ~~or registration card~~ was issued shall:

- (1) notify the law enforcement agency that has jurisdiction where the loss or theft occurred; and
- (2) present to the secretary on a form prescribed by the secretary a report completed by the law enforcement agency that was notified under subdivision (1).

SECTION 11. IC 9-32-8-2, AS AMENDED BY P.L.174-2016, SECTION 70, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. A person that sells, offers to sell, or advertises for sale at least six (6):

- (1) watercraft;
- (2) trailers that are:
 - (A) designed and used exclusively for the transportation of watercraft; and
 - (B) sold in general association with the sale of watercraft; or
- (3) items set forth in both subdivisions (1) and (2);

within a twelve (12) month period must be licensed under this ~~chapter~~ **article.**

SECTION 12. IC 9-32-8-3, AS AMENDED BY P.L.179-2017, SECTION 57, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) An application for a watercraft dealer license must:

- (1) be accompanied by a nonrefundable fee of thirty dollars (\$30); **and**
- (2) ~~be on a form prescribed by the secretary; meet the requirements under IC 9-32-11-2.~~



(3) be completed by a dealer owner or dealer manager; and
 (4) contain any information that the secretary reasonably needs to enable the secretary to determine fully the:

- (A) qualifications and eligibility of the applicant to receive the license;
- (B) location of each of the applicant's places of business in Indiana; and
- (C) ability of the applicant to conduct properly the business for which the application is submitted.

(b) An application for a license as a watercraft dealer must show whether the applicant proposes to sell new or used watercraft or both new and used watercraft.

(c) The secretary shall retain the fee collected under this section.

SECTION 13. IC 9-32-8-7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 7. (a) The secretary shall issue temporary license plates to a licensed watercraft dealer upon request.**

(b) A temporary license plate described in subsection (a) must display the following information:

- (1) The dealer's license number.**
- (2) The date of expiration, plainly stamped or stenciled on the temporary license plate.**

(c) A temporary license plate may not be used or displayed unless the plate is furnished by the secretary.

(d) A watercraft dealer that authorizes the use of a temporary license plate under this section does not assume responsibility or incur liability for injury to a person or property during the period the temporary license plate is in effect.

(e) The fee for a temporary license plate is two dollars (\$2). The secretary shall retain the fee.

SECTION 14. IC 9-32-8-8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 8. (a) A watercraft dealer licensed by the secretary under this article may, upon application to the secretary, obtain dealer license plates and registration cards for use in the testing or demonstrating of motorboats.**

(b) Two (2) dealer license plates must be displayed within a motorboat that is being tested or demonstrated while the motorboat is being tested or demonstrated.

(c) A transfer dealer or automobile auction licensed by the secretary under this article may request dealer license plates under subsection (a).



(d) The fee to obtain a dealer license plate and registration card under subsection (a) is ten dollars (\$10).

(e) The secretary shall retain the fee collected under this section.

SECTION 15. IC 9-32-8-9 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 9. (a) A person that knowingly or intentionally operates a watercraft displaying:**

(1) a temporary license plate issued under section 7 of this chapter that is altered or reproduced; or

(2) a license plate that purports to be a temporary license plate issued under section 7 of this chapter;

commits a Class C misdemeanor.

(b) A person that, with the intent to defraud, obtains an altered temporary license plate described in subsection (a) commits a Class C misdemeanor.

SECTION 16. IC 9-32-9-1, AS AMENDED BY P.L.198-2016, SECTION 629, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 1. (a) A person An automotive salvage recycler** must be licensed by the secretary under this ~~chapter~~ **article** before the ~~person automotive salvage recycler~~ may do any of the following:

(1) Sell Acquire, sell, or advertise for sale a used major component part of a motor vehicle.

(2) Wreck, dismantle, shred, compact, crush, or otherwise destroy a motor vehicle for resale of the major component parts of the motor vehicle or scrap material.

(3) Rebuild a wrecked or dismantled salvage motor vehicle for resale.

(4) Possess for more than thirty (30) days more than two (2) inoperable motor vehicles of a type subject to registration under IC 9-18 (before its expiration) or IC 9-18.1 unless the person holds a mechanic's lien on each motor vehicle over the quantity of two (2):

(5) (4) Engage in the business of storing, disposing, salvaging, or recycling of operable or inoperable motor vehicles, vehicle hulks, or parts of motor vehicles.

(b) A person An automotive salvage recycler who violates this section commits a Class A infraction.

SECTION 17. IC 9-32-9-3, AS AMENDED BY P.L.179-2017, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 3. (a) To apply for a license under this chapter, article,** an automotive salvage recycler must submit an application to



the secretary. An application for a license under this **chapter article** must:

- (1) be on a form prescribed by the secretary;
- (2) be completed by a dealer owner or dealer manager;
- (3) contain the information the secretary considers necessary to enable the secretary to determine fully:
 - (A) the qualifications and eligibility of the applicant to receive the license; and
 - (B) the ability of the applicant to properly conduct the business for which the application is submitted; and
- (4) be accompanied by the following:
 - (A) Evidence of a bond required under IC 9-32-11-2.
 - (B) Payment of the fee under subsection (c).
 - (C) An affidavit from:
 - (i) the person charged with enforcing a zoning ordinance, if the person exists; or
 - (ii) the zoning enforcement officer under IC 36-7-4, if a zoning enforcement officer exists;
 who has jurisdiction over the real property where the applicant wants to operate as an automotive salvage recycler.

If there is no person or officer that has jurisdiction over the real property as described in subdivision (4)(C), the application must be accompanied by a statement to that effect from the executive of the unit in which the real property is located. The affidavit must state that the proposed location is zoned for the operation of an establishment of an automotive salvage recycler. The applicant may file the affidavit at any time after the filing of the application. However, the secretary may not issue a license until the applicant files the affidavit or the statement.

- (1) meet the requirements under IC 9-32-11-2; and
- (2) be accompanied by payment of the fee under subsection (c).

(b) If an automotive salvage recycler license is lost or destroyed, the automotive salvage recycler shall apply for a replacement automotive salvage recycler license in the form and manner prescribed by the secretary.

(c) The fee for an automotive salvage recycler license under subsection (a) is ten dollars (\$10). The fee is nonrefundable and shall be retained by the secretary.

SECTION 18. IC 9-32-9-3.5, AS AMENDED BY P.L.174-2016, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3.5. (a) **This section applies to a motor vehicle that is purchased for scrap, sale of parts, shredding, compacting,**



or any other type of dismantling or destruction.

(b) An automotive salvage recycler ~~that buys motor vehicles~~ must:

- (1) report the purchase of a motor vehicle to the National Motor Vehicle Title Information System not later than ~~thirty (30) days~~ **seventy-two (72) hours** after the motor vehicle is purchased; and
- (2) provide to the seller a valid National Motor Vehicle Title Information System report identification number.

SECTION 19. IC 9-32-9-11, AS AMENDED BY P.L.174-2016, SECTION 79, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11. If the secretary receives a written complaint from a local zoning body that an automotive salvage recycler ~~subject to this chapter~~, is operating in violation of a local zoning ordinance, the secretary shall delay the issuance or renewal of the automotive salvage recycler's license ~~under this chapter~~ until the local zoning complaints have been satisfied.

SECTION 20. IC 9-32-9-14, AS ADDED BY P.L.179-2017, SECTION 63, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 14. (a) A scrap metal processor or other ~~appropriate~~ facility that purchases or acquires a salvage motor vehicle that has been totally demolished or destroyed as a result of normal processing performed by a recycling facility **before the purchase by the scrap metal processor or other facility** is not required to apply for and receive a certificate of salvage title for the vehicle.

(b) The facility ~~or processor~~ that performed the processing that resulted in the vehicle being demolished or destroyed shall surrender the certificate of title, the certificate of authority, or the certificate of salvage title to the bureau.

SECTION 21. IC 9-32-9-15, AS ADDED BY P.L.179-2017, SECTION 64, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 15. (a) The secretary shall prescribe ~~recordkeeping~~ **record keeping** forms to be used by an automotive salvage recycler ~~licensed under this article~~ to preserve information about ~~salvage~~ vehicles or major component parts acquired or sold by the business.

(b) **For each vehicle acquired by an automotive salvage recycler**, the ~~recordkeeping~~ **record keeping** forms required under subsection (a) must contain the following information:

(1) ~~For each new or used vehicle acquired or disposed of or for the major component parts of a new or used vehicle~~, the following:

(A) ~~(1)~~ A description of the vehicle, ~~or major component part~~, including numbers or other marks identifying the vehicle. ~~or~~



major component part.

~~(B)~~ (2) The date the vehicle or major component part was acquired, and disposed of.

~~(C)~~ (3) The name and address of the person from whom the vehicle or major component part was acquired.

~~(D)~~ Verification of the purchaser of the vehicle or major component part by confirming the purchaser's identity by a driver's license, a state identification card, or other reliable means.

~~(2)~~ For vehicles acquired or disposed of, in addition to the information required by subdivision ~~(1)~~, the following:

~~(A)~~ (4) The vehicle's trade name.

~~(B)~~ (5) The vehicle's manufacturer.

~~(C)~~ (6) The vehicle's type.

~~(D)~~ (7) The model year, and

(8) The vehicle identification number.

~~(E)~~ (9) A statement of whether any number has been defaced, destroyed, or changed.

~~(3)~~ For wrecked, dismantled, or rebuilt vehicles, the date the vehicle was dismantled or rebuilt.

(c) For each vehicle sold or disposed of by the automotive salvage recycler, the record keeping forms required under subsection (a) must contain the following information:

(1) A description of the vehicle, including numbers or other marks identifying the vehicle.

(2) The date the vehicle was disposed of.

(3) The way in which the vehicle was disposed of.

(4) The vehicle's trade name.

(5) The vehicle's manufacturer.

(6) The vehicle's type.

(7) The model year.

(8) The vehicle identification number.

(9) Verification of the purchaser of the vehicle by confirming the purchaser's identity by a driver's license, a state issued identification card, or other reliable means.

(10) For wrecked, dismantled, or rebuilt vehicles, the date the vehicle was wrecked, dismantled, or rebuilt.

(d) For each major component part acquired by the automotive salvage recycler, the record keeping forms required under subsection (a) must contain the following information:

(1) A description of the major component part, including numbers or other marks identifying the major component



part.

(2) The date the major component part was acquired.

(3) The name and address of the person from whom the major component part was acquired.

(4) The vehicle identification number, if present on the major component part.

(5) A statement of whether any number on the major component part has been defaced, destroyed, or changed.

(e) For each major component part sold or disposed of by the automotive salvage recycler, the record keeping forms required under subsection (a) must contain the following information:

(1) A description of the major component part, including numbers or other marks identifying the major component part.

(2) The date the major component part was sold or disposed of.

(3) The way in which the major component part was disposed of.

(4) The vehicle identification number, if present on the major component part. If the vehicle identification number is not present on the major component part, the vehicle identification number from the source vehicle, if known.

(5) Verification of the purchaser of the major component part by confirming the purchaser's identity by a driver's license, a state issued identification card, or other reliable means.

(f) Separate records for each vehicle or major component part must be maintained.

(g) The recordkeeping requirements of this section do not apply to hulk crushers or to scrap metal processors when purchasing scrap from a person that is licensed under this article and that is required to keep records under this section.

(h) An automotive salvage recycler licensed under this article that knowingly or intentionally fails to:

(1) maintain records regarding salvage vehicles or major component parts acquired or sold by the business; or

(2) maintain records regarding salvage vehicles or major component parts on forms that comply with subsection (b); **this section;**

commits a Class A infraction.

(i) Records required to be maintained under this section may be maintained in any form of data storage acceptable to the secretary if the records are readily accessible and available to copy by an investigating



or auditing employee of the secretary upon demand at the established place of business.

SECTION 22. IC 9-32-9-16, AS ADDED BY P.L.179-2017, SECTION 65, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 16. (a) Unless otherwise specified or required, the records required under section 15 of this chapter shall be retained for five (5) years after the date the vehicle or major component part was acquired **or sold**, in the form prescribed by the secretary. The records must be maintained at the established place of business for two (2) years. Following the two (2) year period, records may be moved offsite, but must be maintained for five (5) years.

(b) An automotive salvage recycler that knowingly or intentionally fails to comply with subsection (a) commits a Class B misdemeanor.

SECTION 23. IC 9-32-9-19, AS ADDED BY P.L.179-2017, SECTION 68, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 19. (a) A record required to be maintained under this chapter is subject to inspection by a police officer during normal business hours. In addition to the inspections authorized under section 20 of this chapter, an inspection under this section may include an examination of the premises of the ~~licensee's~~ **automotive salvage recycler's** established place of business for the purpose of determining the accuracy of the required records.

(b) ~~A recycling facility; automotive salvage rebuilders; or used parts dealer~~ **An automotive salvage recycler** that knowingly or intentionally fails to:

- (1) maintain records as required under this chapter; or
- (2) allow an inspection of a licensee's established place of business for the purpose of determining the accuracy of required records;

commits a Class A infraction.

SECTION 24. IC 9-32-9-20, AS ADDED BY P.L.179-2017, SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 20. (a) The secretary of state, a police officer, or an agent of the secretary of state or a police officer may enter upon the premises of an automotive salvage recycler during normal business hours to inspect a vehicle, a major component part, records, **a certificate of authority**, a certificate of title, and other ownership documents to determine compliance with this chapter.

(b) A person that knowingly or intentionally prevents the secretary of state, a police officer, or **an** agent of the secretary of state from inspecting a vehicle, a major component part, a record, **a certificate of authority**, a certificate of title, or another ownership document during



normal business hours commits a Class A infraction.

SECTION 25. IC 9-32-9-22, AS ADDED BY P.L.179-2017, SECTION 71, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 22. A court may issue a warrant to search the premises of an automotive salvage ~~rebuilder, an automotive salvage recycler, a recycling facility, or a used parts dealer~~ **recycler** for any major component parts being possessed, kept, sold, bartered, given away, used, or transported in potential violation of this chapter.

SECTION 26. IC 9-32-9-29, AS ADDED BY P.L.179-2017, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2020]: Sec. 29. (a) An automotive salvage recycler or an agent of an automotive salvage recycler may purchase a **motor** vehicle without a certificate of title for the **motor** vehicle if:

- (1) the **motor** vehicle is at least fifteen (15) model years old;
- (2) the purchase is solely for the purpose of dismantling or wrecking the **motor** vehicle for the recovery of scrap metal or the sale of parts; ~~and~~
- (3) the automotive salvage recycler records all purchase transactions of **motor** vehicles as required in subsection (b); ~~and~~
- (4) the person selling the motor vehicle presents a certificate of authority as required under IC 9-22-5-18.**

(b) An automotive salvage recycler shall maintain the following information with respect to each **motor** vehicle purchase transaction **without a certificate of title** to which the automotive salvage recycler is a party for at least five (5) years after the date of the purchase transaction:

- (1) The name and address of any scrap metal processor or automobile scrapyard.
- (2) The name of the person entering the information.
- (3) The date and time of the purchase transaction.
- (4) A description of the **motor** vehicle that is the subject of the purchase transaction, including the make and model of the **motor** vehicle, if ~~practicable~~: **discernable**.
- (5) The vehicle identification number of the **motor** vehicle, to the extent ~~practicable~~: **the number is discernable**.
- (6) The amount of consideration given for the **motor** vehicle.
- (7) A **copy of the certificate of authority and a** written statement signed by the seller or the seller's agent certifying the following:
 - (A) The seller or the seller's agent has the lawful right to sell and dispose of the **motor** vehicle.
 - (B) The **motor** vehicle is not subject to a security interest or



lien.

(C) The **motor** vehicle will not be titled again and will be dismantled or destroyed.

(8) The name, date of birth, and address of the person from whom the **motor** vehicle is being purchased.

(9) A photocopy or electronic scan of one (1) of the following valid and unexpired forms of identification issued to the seller or the seller's agent:

(A) A driver's license.

(B) An identification card issued under IC 9-24-16-1, a photo exempt identification card issued under IC 9-24-16.5, or a similar card issued under the laws of another state or the federal government.

(C) A government issued document bearing an image of the seller or seller's agent, as applicable.

For purposes of complying with this subdivision, an automotive salvage recycler is not required to make a separate copy of the seller's or seller's agent's identification for each purchase transaction involving the seller or seller's agent but may instead refer to a copy maintained in reference to a particular purchase transaction.

(10) The license plate number, make, model, and color of the **motor** vehicle that is used to deliver the purchased **motor** vehicle to the automotive salvage recycler.

(11) The signature of the person receiving consideration from the seller or the seller's agent.

(12) A photographic or videographic image, taken when the **motor** vehicle is purchased, of the following:

(A) A frontal view of the facial features of the seller or the seller's agent.

(B) The **motor** vehicle that is the subject of the purchase transaction.

(c) An automotive salvage recycler may not complete a purchase transaction without the information required under subsection (b)(9).

(d) An automotive salvage recycler or an agent of an automotive salvage recycler that knowingly or intentionally buys a **motor** vehicle that is less than fifteen (15) model years old without a certificate of title or certificate of authority for the **motor** vehicle commits a Level 6 felony.

SECTION 27. IC 9-32-10-2, AS AMENDED BY P.L.174-2016, SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 2. (~~a~~) The advisory board is composed of the



secretary and eleven (11) persons appointed by the governor upon the recommendation of the secretary as follows:

(1) **At least** two (2) of the appointed members must be franchised new motor vehicle dealers as follows:

(A) **At least** one (1) member must:

(i) have sold fewer than seven hundred fifty (750) new motor vehicles in the year before the member's appointment;

and

(ii) **be a dealer owner listed on a valid license issued to a franchised new motor vehicle dealer under IC 9-32.**

(B) **At least** one (1) member must:

(i) have sold more than seven hundred forty-nine (749) new motor vehicles in the year before the member's appointment;

and

(ii) **be a dealer owner listed on a valid license issued to a franchised new motor vehicle dealer under IC 9-32.**

(2) **At least** two (2) of the appointed members must:

(A) represent the motor vehicle manufacturing industry;

(B) **and each must** have been an Indiana resident for at least two (2) years immediately preceding the member's appointment; **and**

(C) **be employed by a manufacturer that holds a valid manufacturer license issued under IC 9-32.**

(3) Two (2) of the appointed members must represent the general public and may not have any direct interest in the manufacture or sale of motor vehicles.

~~(4)~~ (3) ~~One (1) member~~ **At least two (2) members** must:

(A) represent used motor vehicle dealers that are not franchised new motor vehicle dealers; **and**

(B) **be a dealer owner listed on a valid license issued to a used motor vehicle dealer under IC 9-32.**

(5) ~~One (1) member~~ must represent used automobile auctions.

(6) ~~One (1) member~~ must represent the automobile salvage and recycling industry.

(7) ~~One (1) member~~ must represent watercraft dealers.

(8) ~~One (1) member~~ must represent the recreational vehicle industry.

(4) **The remaining members may be appointed from the following:**

(A) **A representative of a used automobile auction validly licensed under IC 9-32.**

(B) **A representative of an automobile salvage recycler**



validly licensed under IC 9-32.

(C) A representative of a recreational vehicle dealer validly licensed under IC 9-32.

(D) A representative of a watercraft dealer validly licensed under IC 9-32.

(5) One (1) appointed member may represent the general public and may not have any direct interest in the manufacture or sale of motor vehicles or watercraft.

(b) Not more than six (6) members of the advisory board may be of the same political party.

SECTION 28. IC 9-32-10-3, AS ADDED BY P.L.92-2013, SECTION 78, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 3. (a) A member appointed to the advisory board under section 2 of this chapter serves a three (3) year term ~~A person may not serve more than two (2) consecutive full terms: and may be reappointed.~~ Each appointed member serves until the member's successor is appointed and qualified.

(b) A member may be removed for good cause.

(c) A vacancy shall be filled by appointment of the governor for the unexpired term.

SECTION 29. IC 9-32-11-1, AS AMENDED BY P.L.137-2018, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 1. (a) Subject to IC 9-32-11-20, the following persons must be licensed under this article: ~~to engage in the business of buying, selling, or manufacturing motor vehicles:~~

- (1) An automobile auction.
- (2) A converter manufacturer.
- (3) A dealer.
- (4) A distributor.
- (5) An automotive salvage recycler.
- (6) A watercraft dealer.
- (7) A manufacturer.
- (8) A transfer dealer.
- (9) An automotive mobility dealer.
- (10) A manufactured home dealer.

The persons listed in this subsection are the only persons eligible for a license under this article.

(b) After January 1, 2018, an automotive mobility dealer must hold an automotive mobility dealer endorsement issued under this article.

(c) After January 1, 2018, an automotive mobility dealer that fails to be licensed and hold an automotive mobility dealer endorsement under this article, and engages in the business of:



(1) selling;
 (2) installing;
 (3) servicing; or
 (4) soliciting or advertising the sale, installation, or servicing of;
 equipment or modifications specifically designed to facilitate use or
 operation of a motor vehicle or watercraft by an individual who is
 disabled or aged commits a Class A infraction.

SECTION 30. IC 9-32-11-2, AS AMENDED BY P.L.179-2017,
 SECTION 80, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 JULY 1, 2019]: Sec. 2. (a) An application for a license under this
~~chapter~~ **article** must:

- (1) be accompanied by payment of the applicable fee required
 under this section;
- (2) be on a form prescribed by the secretary;
- (3) contain the information the secretary considers necessary to
 enable the secretary to determine fully:
 - (A) the qualifications and eligibility of the applicant to receive
 the license; and
 - (B) the ability of the applicant to conduct properly the business
 for which the application is submitted;
- (4) contain evidence of a bond required in subsection (e); ~~and~~
- (5) contain evidence of liability coverage required by section
 14 of this chapter;**
- (6) contain the federal tax identification number issued to the
 dealer;**
- (7) contain the registered retail merchant's certificate issued
 to the dealer under IC 6-2.5-8; and**
- ~~(5)~~ **(8)** be completed by a dealer owner or dealer manager.

(b) An application for a license as a dealer must show whether the
 applicant proposes to sell new or used motor vehicles, or both.

(c) An applicant who proposes to use the Internet or another
 computer network to facilitate the sale of motor vehicles shall maintain
 all records at the established place of business in Indiana.

(d) **Except as provided in subsections (e), (h), and (i),** the
 application must include an affidavit from:

- (1) the person charged with enforcing a zoning ordinance, if one
 exists; or
- (2) the zoning enforcement officer under IC 36-7-4; ~~if one exists;~~
 who has jurisdiction over the real property where the applicant wants
 to operate as a dealer. ~~If there is no person or officer that has
 jurisdiction over the real property, the application must be
 accompanied by a statement to that effect from the executive of the unit~~



in which the real property is located. The affidavit must state that the proposed location is zoned for the operation of a dealer's establishment. The applicant may file the affidavit at any time after the filing of the application. However, the secretary may not issue a license until the applicant files the affidavit or the statement:

(e) Except as provided in subsections (h) and (i), if there is no person or officer under subsection (d)(1) or (d)(2), the application must be accompanied by a statement to that effect from the executive (as defined in IC 36-1-2-5) of the unit in which the real property is located.

(f) The applicant may file the zoning affidavit under subsection (d) or statement under subsection (e) with the application at any time after the filing of the application. However the secretary may not issue a license until the applicant files the affidavit or the statement.

(g) The zoning affidavit under subsection (d) or statement under subsection (e) may not be signed by a person described in subsection (d)(1) or (d)(2) or the executive of the unit more than ninety (90) days before the affidavit or statement is submitted to the secretary as part of an application for a license under this article.

(h) If:

- (1) the dealer's established place of business is a manufactured home community;
- (2) the dealer operates the manufactured home community; and
- (3) the dealer is selling or will be selling only manufactured homes that:
 - (A) are already located within the manufactured home community; or
 - (B) will be installed within the manufactured home community;

the application must be accompanied by an affidavit under subsection (i).

(i) An affidavit submitted by a dealer under subsection (h) must affirm under penalty of perjury that:

- (1) a zoning affidavit or statement is not required under subsection (h); and
- (2) the applicant intends to sell only manufactured homes to buyers that purchase manufactured homes with the intent for the manufactured home to:
 - (A) remain within the manufactured home community; or



(B) be installed within the manufactured home community.

(j) If the secretary receives a written complaint from a person described in subsection (d)(1) or (d)(2) that a dealer under subsection (h) is operating in violation of a local zoning ordinance, the secretary shall delay the issuance or renewal of the dealer's license until the local zoning complaints have been satisfied.

~~(e)~~ **(k)** A licensee shall maintain a bond satisfactory to the secretary in the amount of twenty-five thousand dollars (\$25,000). The bond must:

- (1) be in favor of the state;
- (2) secure payment of fines, penalties, costs, and fees assessed by the secretary after:
 - (A) notice;
 - (B) opportunity for a hearing; and
 - (C) opportunity for judicial review; and
- (3) secure the payment of damages to a person aggrieved by a violation of this article by the licensee after a judgment has been issued.

~~(f)~~ **(l)** Service under this chapter shall be made in accordance with the Indiana Rules of Trial Procedure.

~~(g)~~ **(m)** The fee for a license for a manufacturer or a distributor is thirty-five dollars (\$35).

~~(h)~~ **(n)** The fee for a license for a dealer, other than a manufacturer, converter manufacturer, distributor, watercraft dealer, automotive salvage recycler, or transfer dealer is thirty dollars (\$30).

~~(i)~~ **(o)** The fee for a transfer dealer or a converter manufacturer is twenty dollars (\$20).

~~(j)~~ **(p)** The fees collected under this section are nonrefundable and shall be deposited as set forth in IC 9-32-7-3.

SECTION 31. IC 9-32-11-6, AS AMENDED BY P.L.179-2017, SECTION 83, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 6. (a) A license issued to a dealer under this article:

- (1) must specify the established place of business; and
 - (2) shall be conspicuously displayed at the established place of business.
- (b) If a dealer's:
- (1) business name, including a doing business as name;
 - (2) established place of business address;
 - (3) business entity type;
 - (4) contact information; ~~or~~
 - (5) dealer owner; **or**



(6) dealer manager;

changes, the dealer shall submit to the secretary an application for approval of the change not later than ten (10) days after the change in a manner prescribed by the secretary.

(c) ~~If the change is a dealer requests a change~~ to information described in subsection (b)(1) or (b)(2), **appearing on the dealer's printed dealer license**, the dealer shall remit a fee of five dollars (\$5) with the notification and submit any additional information necessary to obtain an amended dealer license. The fee is nonrefundable, and the secretary shall retain the fee.

(d) A dealer that uses the Internet or another computer network to facilitate the sale of motor vehicles as set forth in section 2(c) of this chapter shall notify the secretary not later than ten (10) days after any change in a name, address, or telephone number documented in business records located outside Indiana that have been created in transactions made in Indiana by the dealer. A report made under this subsection is not subject to the fee under subsection (c).

(e) ~~A dealer that wants to change its established place of business location must submit an affidavit along with its application for approval of the change. The affidavit must be~~ **Except as provided in subsection (f), an application requesting a change to the address for the dealer's established place of business must be accompanied by an affidavit stating that the proposed location is zoned for the operation of a dealer's establishment** from:

- (1) the person charged with enforcing a zoning ordinance described in this subsection; or
- (2) the zoning enforcement officer under IC 36-7-4; ~~if one exists;~~ that has jurisdiction over the real property where the applicant wants to operate as a dealer.

(f) ~~If there is no person or officer that has jurisdiction over the real property, under subsection (e)(1) or (e)(2),~~ the application must be accompanied by a statement to that effect from the executive **(as defined in IC 36-1-2-5)** of the unit in which the real property is located. ~~The affidavit must state that the proposed location is zoned for the operation of a dealer's establishment.~~

(g) The secretary may not approve a change of location ~~or endorse a change of location on the dealer's license~~ until the dealer provides the affidavit or the statement.

(h) The affidavit or statement may not be signed by a person described in subsection (e)(1) or (e)(2) or the executive of a unit more than ninety (90) days before the affidavit or statement is submitted to the secretary as part of an application for a change of



location.

~~(h)~~ (i) For the purpose of this section, an offsite sales license issued under section 11 of this chapter does not constitute a change of location.

SECTION 32. IC 9-32-11-7, AS AMENDED BY P.L.179-2017, SECTION 84, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 7. (a) A distributor representative and a manufacturer representative become certified by:

- (1) the licensed distributor or licensed manufacturer completing an application with the secretary to add the distributor representative or manufacturer representative to the license; and
- (2) paying a nonrefundable fee of twenty dollars (\$20).

The fee shall be deposited as set forth in IC 9-32-7-3.

(b) Any change to the certification of the distributor representative or manufacturer representative must be submitted to the secretary **for approval** not later than ten (10) days after the change. ~~The secretary shall endorse the change on the certification.~~ A representative must have a certification when engaged in business and shall display the certification upon request.

(c) A distributor representative or manufacturer representative certification expires on the earlier of the following dates:

- (1) The date on which the license issued to the distributor or manufacturer that certified the representative expires.
- (2) The date on which the secretary receives notice that the certified distributor representative or manufacturer representative is no longer a representative of the licensed distributor or manufacturer.

(d) The fee to renew a manufacturer representative or a distributor representative certificate is twenty dollars (\$20). The fee is nonrefundable and shall be deposited as set forth in IC 9-32-7-3.

SECTION 33. IC 9-32-11-11, AS AMENDED BY P.L.174-2016, SECTION 88, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11. (a) Except as provided in subsections (b) through (g), the secretary shall issue an offsite sales permit to a dealer licensed under this chapter who submits an application for the permit not later than ten (10) business days or two (2) calendar weeks before the offsite sale date. Permit applications under this section shall be made public upon the request of any person.

(b) The secretary may not issue an offsite sales permit to a dealer who does not have an established place of business within Indiana.

(c) The secretary may not issue an offsite sales permit to a licensed dealer proposing to conduct a sale outside a radius of twenty (20) miles



from the established place of business of the licensed dealer. The following may conduct an offsite sale with an offsite sales permit outside a radius of twenty (20) miles from the established place of business of the licensed dealer:

- (1) New manufactured home dealers.
- (2) Recreational vehicle dealers.
- (3) A rental company that is a dealer conducting a sale at a site within twenty (20) miles of any of its company owned affiliates.
- (4) Off-road vehicle dealers.
- (5) Dealers of motor vehicles classified as classic, collector, or antique under rules adopted under section 18(a)(2)(B) of this chapter.

(d) A motor vehicle display is not considered an offsite sale if it is conducted by a new motor vehicle dealer in an open area where no sales personnel and no sales material are present.

(e) The secretary may not issue an offsite sales permit to a licensed dealer proposing to conduct an offsite sale for more than ten (10) calendar days.

(f) ~~The secretary may not issue an offsite sales permit to a licensed dealer if the dealer does not have certification that the offsite sale would be in compliance with local zoning ordinances or other local ordinances. Authorization under this subsection may be demonstrated with~~ **An application for an offsite sales permit must include an affidavit stating that the proposed location is zoned for the operation of the dealer's offsite sale** from:

- (1) the person charged with enforcing a zoning ordinance, if the person exists; or
- (2) the zoning enforcement officer under IC 36-7-4; ~~if a zoning enforcement officer exists;~~

who has jurisdiction over the real property where the dealer wants to conduct an offsite sale.

(g) ~~If there is no person or officer that has jurisdiction over the real property,~~ **under subsection (f)(1) or (f)(2),** the application must be accompanied by a statement of authorization from the executive (as defined in IC 36-1-2-5) of the unit in which the real property is located.

(h) The secretary may not issue an offsite sales permit until the dealer files an affidavit **or statement** under this subsection.

(i) **The affidavit or statement may not be signed by a person described in subsection (f)(1) or (f)(2) or the executive of a unit more than ninety (90) days before the affidavit or statement is submitted to the secretary as part of an application for a permit under this section.**



~~(g)~~ (j) The secretary may not issue an offsite sales permit to a licensed dealer who has held more than three (3) nonconsecutive offsite sales in the year ending on the date of the offsite sale for which the permit application is being submitted.

~~(h)~~ (k) Section 2(c) of this chapter does not apply to the application or issuance of an offsite sales permit under this section.

~~(i)~~ (l) The fee for an offsite sales permit is twenty-five dollars (\$25). The fee is nonrefundable and shall be deposited as set forth in IC 9-32-7-3.

SECTION 34. IC 9-32-11-11.5, AS AMENDED BY P.L.174-2016, SECTION 89, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11.5. (a) A person that is a licensed dealer in a state other than Indiana may apply for an out-of-state dealer special event permit from the secretary for a special event auction if the following conditions are met:

- (1) The event is a motor vehicle auction conducted by an auctioneer licensed under IC 25-6.1-3.
- (2) The motor vehicles to be auctioned are:
 - (A) at least fifteen (15) years old; or
 - (B) classified as classic, collector, or antique motor vehicles under rules adopted by the secretary.
- (3) At least two hundred (200) motor vehicles will be auctioned during the special event.
- (4) The person submits an application for a special event permit to the secretary not later than thirty (30) days prior to the beginning date of the special event auction.
- (5) The application for the special event permit includes the following:
 - (A) Copies of licenses for all auctioneers for the special event auction.
 - (B) A copy of a valid dealer's license from the other state.
 - (C) **Either of the following:**
 - (i) An affidavit **stating that the proposed location is zoned for the operation of a special event auction** from
 - ~~(i)~~ the person charged with enforcing a zoning ordinance, if ~~the person exists~~; or
 - ~~(ii)~~ the zoning enforcement officer under IC 36-7-4 if a ~~zoning enforcement officer exists~~; who has jurisdiction over the real property where the applicant wants to operate the special event auction.
 - (ii) If there is no person or officer ~~that has jurisdiction over the real property as described in this clause~~, **under item (i)**,



the application must be accompanied by a statement to that effect from the executive (**as defined in IC 36-1-2-5**) of the unit in which the real property is located. ~~The affidavit must state that the proposed location is zoned for the operation of a special event auction.~~

(6) The applicant may file the affidavit **or statement under subdivision (5)(C)** at any time after the filing of the application. However, the secretary may not issue a special event auction permit until the applicant files the affidavit or the statement.

(7) **The affidavit or statement may not be signed by a person described in subdivision (5)(C)(i) or the executive of a unit more than ninety (90) days before the affidavit or statement is submitted to the secretary as part of an application for a permit under this section.**

(b) Not more than one (1) special event auction permit may be issued by the secretary to the same applicant within a twelve (12) month period.

(c) If the application for the special event permit is approved, the dealer must submit a fee of five hundred dollars (\$500). The secretary shall retain the fee.

SECTION 35. IC 9-32-11-18, AS AMENDED BY P.L.179-2017, SECTION 92, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 18. (a) A person licensed under this article shall be issued a special event permit from the secretary for a special event that meets the following conditions:

- (1) The event is a motor vehicle auction conducted by auctioneers licensed under IC 25-6.1-3.
- (2) The motor vehicles to be auctioned are:
 - (A) at least fifteen (15) years old; or
 - (B) classified as classic, collector, or antique motor vehicles under rules adopted by the secretary.
- (3) At least one hundred (100) motor vehicles will be auctioned during the special event.
- (4) The licensee submits to the secretary an application for a special event permit not later than thirty (30) days before the beginning date of the special event.
- (5) The application under subdivision (4) includes the following:
 - (A) An affidavit **stating that the proposed location is zoned for the operation of a special event auction** from:
 - (i) the person charged with enforcing a zoning ordinance; or
 - (ii) a zoning enforcement officer under IC 36-7-4; who has jurisdiction over the real property where the applicant



wants to operate the special event auction.

(B) A fee of two hundred fifty dollars (\$250). The fee shall be deposited as set forth in IC 9-32-7-3.

(b) If there is no person or officer ~~that has jurisdiction over the real property as described in~~ **under** subsection (a)(5)(A), the application must be accompanied by a statement to that effect from the executive **(as defined in IC 36-1-2-5)** of the unit in which the real property is located. ~~The affidavit must state that the proposed location is zoned for the operation of a special event auction.~~

(c) The applicant may file the affidavit **or statement** at any time after the filing of the application. However, the secretary may not issue a special event auction permit until the applicant files the affidavit or statement.

(d) The affidavit or statement may not be signed by a person described in subsection (a)(5)(A) or the executive of a unit described in subsection (b) more than ninety (90) days before the affidavit or statement is submitted to the secretary as part of an application for a permit under this section.

~~(d)~~ (e) Not more than two (2) special event permits may be issued by the secretary to the same applicant within a twelve (12) month period.

SECTION 36. IC 9-32-13-15.5, AS AMENDED BY P.L.112-2018, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 15.5. (a) This section does not apply to manufacturers or distributors of manufactured housing, heavy duty vocational vehicles (as defined in 49 CFR 523.8), or recreational vehicles.

(b) Unless otherwise agreed, it is an unfair practice for a manufacturer or distributor to fail to compensate a dealer anything less than the dealer's retail rates for parts or labor the dealer uses in performing the warranty services of the manufacturer or distributor, or for a manufacturer or distributor of a separate vehicle component or major vehicle assembly that is warranted independently of the motor vehicle to fail to compensate a dealer anything less than the dealer's retail rate for the parts or labor the dealer uses in performing the warranty services of the manufacturer or distributor. The dealer's retail rate for parts must be a percentage determined by dividing the total charges for parts used in warranty like repairs by the dealer's total cost for those parts minus one (1) in the lesser of one hundred (100) customer paid sequential repair orders or ninety (90) consecutive days of customer paid repair orders. The dealer's retail rate for labor shall be determined by dividing the total labor sales for warranty like repairs by



the number of hours that generated those sales in one hundred (100) customer paid sequential repair orders or ninety (90) consecutive days of customer paid repair orders. A retail rate may be calculated based upon only customer paid repair orders charged within one hundred eighty (180) days before the date the dealer submits the declaration.

(c) The dealer's submission for retail rates must include a declaration of the dealer's retail rates for parts or labor along with the supporting service repair orders paid by customers. A manufacturer or distributor may challenge the dealer's declaration by submitting a rebuttal not later than sixty (60) days after the date the declaration was received. If the manufacturer or distributor does not send a timely rebuttal to the dealer, the retail rate is established as reasonable and goes into effect automatically.

(d) If a rebuttal in subsection (c) is timely sent, the rebuttal must substantiate how the dealer's declaration is unreasonable or materially inaccurate. The rebuttal must propose an adjusted retail rate and provide written support for the proposed adjustments. If the dealer does not agree with the adjusted retail rate, the dealer may file a complaint with the dealer services division within the office of the secretary of state.

(e) A complaint filed under subsection (d) must be filed not later than thirty (30) days after the dealer receives the manufacturer's or distributor's rebuttal. On or before filing a complaint, a dealer must serve a demand for mediation upon the manufacturer or distributor.

(f) When calculating the retail rate customarily charged by the dealer for parts or labor under this section, the following work may not be included:

- (1) Repairs for manufacturer or distributor special events, specials, or promotional discounts for retail customer repairs.
- (2) Parts sold or repairs performed at wholesale.
- (3) Routine maintenance not covered under a retail customer warranty, such as fluids, filters, and belts not provided in the course of repairs.
- (4) Nuts, bolts, fasteners, and similar items that do not have an individual part number.
- (5) Vehicle reconditioning.
- (6) Accessories.
- (7) Repairs of damage caused by a collision, a road hazard, the force of the elements, vandalism, or theft.
- (8) Vehicle emission or safety inspections required by law.
- (9) Manufacturer or distributor reimbursed goodwill or policy repairs or replacements.



(10) Replacement of tires.

(g) If a manufacturer or distributor furnishes a part or component to a dealer at no cost to use in performing repairs under a recall, campaign service, or warranty repair, the manufacturer or distributor shall compensate the dealer for the part or component in the same manner as warranty parts compensation under this section by compensating the dealer the average markup on the cost for the part or component as listed in the manufacturer's or distributor's initial or original price schedule minus the cost for the part or component.

(h) A manufacturer or distributor may not require a dealer to establish the retail rate customarily charged by the dealer for parts or labor by an unduly burdensome or time consuming method or by requiring information that is unduly burdensome or time consuming to provide, including part by part or transaction by transaction calculations. A dealer may not declare an average percentage parts markup or average labor rate more than once in a twelve (12) month period. A manufacturer or distributor may perform annual audits to verify that a dealer's effective rates have not decreased. If a dealer's effective rates have decreased, a manufacturer or distributor may reduce the warranty reimbursement rate prospectively. A dealer may elect to revert to the nonretail rate reimbursement for parts or labor not more than once in a twelve (12) month period.

(i) ~~Except as provided in IC 9-32-13-16,~~ A manufacturer or distributor may not impose a surcharge on a dealer for the purpose of recovering any of its costs related to the reimbursement of a dealer for parts or labor required under this section. This subsection does not prohibit a manufacturer or distributor from increasing the wholesale price of a vehicle or part in the ordinary course of business.

(j) If a dealer files a complaint with the dealer services division within the office of the secretary of state, the warranty reimbursement rate in effect before any mediation or complaint remains in effect until thirty (30) days after:

- (1) a final decision has been issued by a court with jurisdiction;
- and
- (2) all appeals have been exhausted.

SECTION 37. IC 9-32-13-16, AS AMENDED BY P.L.174-2016, SECTION 101, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 16. (a) A manufacturer or distributor and at least thirty percent (30%) of its franchisees in Indiana of the same line make may agree in an express written contract citing this section to a uniform warranty reimbursement policy to be used by franchisees for the performance of warranty repairs. The contract must



include reimbursement for parts used in warranty repairs or the use of a uniform time standards manual, or both. The allowance for diagnosis within the uniform time standards manual must be reasonable and adequate for the work and service to be performed. The manufacturer or distributor:

- (1) may have only one (1) contract with regard to each line make; and
- (2) must have a reasonable and fair procedure for franchisees to request a modification or adjustment of a standard included in the uniform time standards manual.

(b) A contract described in subsection (a) must meet the following criteria:

- (1) Establish a uniform parts reimbursement rate that must be greater than the manufacturer's or distributor's nationally established parts reimbursement rate in effect at the time the contract becomes effective. A subsequent contract must include a uniform reimbursement rate that is equal to or greater than the rate in the immediately prior contract.
- (2) Apply to all warranty repair orders written while the agreement is in effect.
- (3) At any time during the period the contract is in effect:
 - (A) be available to any franchisee of the same line make as the franchisees that entered into the contract with the manufacturer or distributor; and
 - (B) be available to a franchisee of the same line make on the same terms as apply to the franchisees that entered into the contract with the manufacturer or distributor.
- (4) Be for a term not to exceed three (3) years.
- (5) Allow any party to the uniform warranty reimbursement policy to terminate the policy with thirty (30) days prior written notice to all parties upon the annual anniversary of the policy, if the policy is for at least one (1) year.
- (6) Remain in effect for the entire original period if the manufacturer and at least one (1) franchisee remain parties to the policy.

(c) A manufacturer or distributor that enters into a contract with its franchisees under subsection (a) may seek to recover only its costs from a franchisee that receives a higher reimbursement rate, if authorized by law, subject to the following:

- (1) Costs may be recovered only by increasing invoice prices on new motor vehicles received by the franchisee.
- (2) A manufacturer or distributor may make an exception for



motor vehicles that are titled in the name of a purchaser in another state. However, price increases imposed for the purpose of recovering costs imposed by this section may vary from time to time and from model to model and must apply uniformly to all franchisees of the same line make that have requested reimbursement for warranty repairs at a level higher than provided for in the contract.

~~(d)~~ (c) A manufacturer or distributor that enters into a contract with its franchisees under subsection (a) shall do the following:

- (1) Certify to the secretary under oath, in a writing signed by a representative of the manufacturer or distributor, that at the time the contract was entered into at least thirty percent (30%) of the franchisees of the line make were parties to the contract.
- (2) File a copy of the contract with the ~~bureau~~ **secretary** at the time of the certification.
- (3) Maintain a file that contains the information upon which the certification required under subdivision (1) is based for three (3) years after the certification is made.

SECTION 38. IC 9-32-16-11, AS AMENDED BY P.L.137-2018, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: Sec. 11. (a) All dealers operating as a:

- (1) corporation;
- (2) limited liability company;
- (3) limited partnership; or
- (4) limited liability partnership;

shall file and maintain all filings required to remain in good standing with the secretary of state business services division.

~~(b)~~ A dealer that applies for a license under this article shall provide the secretary:

- ~~(1)~~ the federal tax identification number; and
- ~~(2)~~ the registered retail merchant's certificate number issued under IC 6-2.5-8;

issued to the dealer:

~~(c)~~ (b) The dealer must, for the entire licensing period, have an established place of business with a physical Indiana address. The dealer may not have a mailing address that differs from the actual location of the business. At the discretion of the secretary, an exemption may be granted for dealers with an established place of business in a location not serviced by the United States Postal Service to allow a post office box to be used as a mailing address. A dealer using a post office box for this reason must notify the division in writing with the dealer's application.



~~(d)~~ (c) Before the secretary may issue a license to a dealer, the following must submit to a national criminal history background check (as defined in IC 10-13-3-12) or expanded criminal history check (as defined in IC 20-26-2-1.5) administered by the state police:

- (1) Each dealer owner.
- (2) Each dealer manager.

The secretary shall make the determination whether an individual must submit to a national criminal history background check or an expanded criminal history check under this subsection.

~~(e)~~ (d) A national criminal history background check or expanded criminal history check conducted under subsection ~~(d)~~: (c):

- (1) is at the expense of the dealer and the dealer owners; and
- (2) may be completed not more than sixty (60) days before the dealer applies for a license under this article.

~~(f)~~ (e) The secretary may deny an application for a license if the division finds that a dealer owner or a dealer manager has been convicted of a:

- (1) felony within the previous ten (10) years;
- (2) felony or misdemeanor involving theft or fraud; or
- (3) felony or misdemeanor concerning an aspect of business involving the offer, sale, financing, repair, modification, or manufacture of a motor vehicle or watercraft.

~~(g)~~ (f) If a dealer adds or changes a dealer owner or dealer manager after issuance of the initial license, the dealer must submit an application for a change in ownership in a manner prescribed by the secretary not later than ten (10) days after the change. The new dealer owner or dealer manager shall submit to a national criminal history background check or expanded criminal history check as set forth in subsection ~~(d)~~: (c).

~~(h)~~ (g) Following licensure under this article, a dealer shall, not later than ninety (90) days after the entry of an order or judgment, notify the division in writing if the dealer owner or dealer manager has been convicted of a:

- (1) felony within the past ten (10) years;
- (2) felony or misdemeanor involving theft or fraud; or
- (3) felony or misdemeanor concerning an aspect of business involving the:
 - (A) offer;
 - (B) sale;
 - (C) financing;
 - (D) repair;
 - (E) modification; or



(F) manufacture;
of a motor vehicle or watercraft.

(†) **(h)** The dealer and the corporation, company, or partnership must be in good standing with the bureau, the department of state revenue, the department of financial institutions, and the state police department during the entire period for which a license is valid.

SECTION 39. IC 34-30-2-34 IS REPEALED [EFFECTIVE JULY 1, 2019]. ~~Sec. 34. IC 9-31-3-6 (Concerning motorboat dealers who grant temporary boat registration permits).~~

SECTION 40. IC 34-30-2-34.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 34.2. IC 9-32-8-7 (Concerning watercraft dealers who authorize the use of a temporary watercraft license plate).**

SECTION 41. IC 35-52-9-55.5 IS REPEALED [EFFECTIVE JULY 1, 2019]. ~~Sec. 55.5. IC 9-31-3-31 defines a crime concerning temporary license plates.~~

SECTION 42. IC 35-52-9-58.1 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2019]: **Sec. 58.1. IC 9-32-8-9 defines crimes concerning temporary license plates.**



Speaker of the House of Representatives

President of the Senate

President Pro Tempore

Governor of the State of Indiana

Date: _____ Time: _____

HEA 1482 — Concur

